W. DAVID DENTON THOMAS J. KEULER WILLIAM E. PINKSTON LISA H. EMMONS DAVID L. KELLY THEODORE S. HUTCHINS* GLENN D. DENTON* STACEY A. BLANKENSHIP MELISSA D. YATES* NEAL D. OLIPHANT DOUGLAS R. MOORE ROBERT W. GOFF** JACKIE M. MATHENY JR. KRISTEN N. WORAK * Also Licensed To Practice in Illinois

** Also Licensed To Practice in Tennessee



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FEB 2 1 2013

PUBLIC SERVICE COMMISSION

February 20, 2013

MR JEFF DEROUEN EXECUTIVE DIRECTOR KENTUCKY PUBLIC SERVICE COMMISSION 211 SOWER BLVD FRANKFORT KY 40602

Re: In the Matter of: Roy G. Collins v. Jackson Purchase Energy Corporation Case Number 2013-00052

Dear Mr. Derouen:

Enclosed please find an original and ten (10) copies of a response to the Commission's Order Dated February 11, 2013, to be filed on behalf of Jackson Purchase Energy Corporation in the above-referenced matter.

Should you need additional information concerning this filing, please contact me.

Sincerely Melissa D. Yates

Attorney for Jackson Purchase Energy Corporation

Enclosures

dh. 156883

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

FEB 2 1 2013

PUBLIC SERVICE COMMISSION

In the Matter of:)
ROY G. COLLINS) CASE NO. 2013-00052
COMPLAINANT)))
JACKSON PURCHASE ENERGY CORPORATION)))
DEFENDANT	,))

ANSWER OF JACKSON PURCHASE ENERGY CORPORATION

Pursuant to the Order of the Public Service Commission of Kentucky ("Commission")

issued on February 11, 2013, in the above-captioned case, Jackson Purchase Energy Corporation

("JPEC"), provides its Answer to the Formal Complaint filed on January 30, 2013.

For its Answer to the Complaint, JPEC states as follows:

FIRST DEFENSE

The Complaint fails to state a claim upon which relief can be granted and should be dismissed.

SECOND DEFENSE

1. In response to the first paragraph of Mr. Collins' Complaint, JPEC states as follows:

- a. JPEC states that it is without information sufficient to form a belief as to the allegation concerning when Mr. Collins began construction and, therefore, JPEC denies the same.
- b. JPEC is without knowledge as to Mr. Collins' state of mind in stating that he was building a "barn" and therefore denies the same. However, JPEC does admit that on August 8, 2012, Mr. Collins called JPEC attempting to service premises to 1400 Carsville Road, Hampton, KY, which is located in Livingston County, Kentucky. Further, JPEC admits that Mr. Collins referenced that he desired to obtain electrical service for a "barn" which would have "living quarters in the back". A service order was created and then staked on August 24, 2012. A copy of said Order is attached hereto and incorporated herein as Exhibit "A".
- c. To the extent that the first paragraph of Mr. Collins' complaint contains any additional allegations which are not specifically admitted, said allegations are hereby denied.
- 2. In response to the second paragraph of Mr. Collins' Complaint, JPEC states as follows:
 - a. JPEC admits that it prepared an estimate for a contribution in aid of construction in accordance with its filed tariff. Specifically, in accordance with Section 4, Rules and Regulations, Item 32 of JPEC's tariff. A copy of the applicable portion of said tariff is attached hereto and incorporated herein by reference as Exhibit "B". Said tariff provides in pertinent part:

"New Service to Barns, Camps, Pumps and Miscellaneous Service Not Considered Permanent Premises

A. This rules shall apply to services where the amount of consumption and/or the permanency of service cannot be reasonably assured as determined by JPEC.

- B. A contribution-in-aid of construction shall be required from the Applicant/Member for all facilities installed to provide service under this section. Aid of construction payment shall be estimated and received by JPEC before construction is begun. When construction is completed, the Member shall be billed for the actual cost of construction and credit for advance payment shall be given."
- b. JPEC admits that construction of the line to provide Mr. Collins' premises with electrical service was estimated at \$6,065.94.
- c. JPEC admits that Kelly Nuckols, President and CEO of JPEC, spoke to Mr.
 Collins regarding the classification of the premises.
- d. JPEC further admits that Mr. Collins requested a credit on his bill for the payment. However, JPEC asserts that would have violated its filed tariff and it could not and did not agree to do so.
- e. Because Mr. Collins does not specify the names of any employees with whom he had "numerous conversations" with, JPEC is without information sufficient to form a belief as to the truth of those allegations and same are, therefore, denied.
- f. As to Mr. Collins' claim in paragraph two that he requested someone to come look at the structure, JPEC is without information sufficient to form a belief as to the truth of that allegation and the same is, therefore, denied.
- g. As to Mr. Collins' representations that this premises is not his primary residence and is his second home, Kelly Nuckols has discussed the same with Mr. Collins and believes the same to be true. Therefore, JPEC admits the same. Since the filing of Mr. Collins' initial, informal complaint, JPEC employee, Craig Gerke, visited the site and took pictures of the structure. Said pictures are attached hereto and incorporated herein as Exhibit "C".

3

- h. To the extent that the second paragraph of Mr. Collins' complaint contains any additional allegations which are not specifically admitted, said allegations are hereby denied.
- **3.** As to the allegations contained in paragraph three, JPEC states as follows:
 - a. JPEC is without information sufficient to form a belief about whether construction of Mr. Collins' second home was begun in August of 2012 (as alleged in paragraph one of the Complaint) or in September 2012 as alleged in this paragraph. As such, JPEC denies the same.
 - b. JPEC is without information sufficient to form a belief as to the truth of the allegations regarding the square footage of the premises at issue or its intended purpose, other than Mr. Collins' representations to Kelly Nuckols and in his complaint, that it will not be used as a primary residence and it will be his "second home". As such, JPEC denies the same.
 - c. JPEC is without information sufficient to form a belief as to whether construction was halted due to lack of electricity and therefore denies the same. JPEC affirmatively states that on January 2, 2013, JPEC received notification from the electrical inspector that the inspection of the premises was complete and JPEC was cleared to move forward with establishing service. As such, on January 3, 2013, a job order for the location was created and construction was completed by and the meter was set on January 15th, 2013.
 - d. To the extent that the third paragraph of Mr. Collins' complaint contains any additional allegations which are not specifically admitted, said allegations are hereby denied.

4. As to the allegations contained in the fourth paragraph of Mr. Collins' Complaint, JPEC is without knowledge sufficient to form a belief as to whether those allegations are true and, as such, denies the same.

5. As to any remaining allegations which have not been specifically admitted herein, JPEC denies the same.

THIRD DEFENSE

The Complaint fails to set forth a prima facie case that JPEC has violated its tariff, any statute, Commission regulation, or other law. As such the Complaint should be dismissed.

FOURTH DEFENSE

Mr. Collins was billed for costs of construction in accordance with Commission regulations and JPEC's tariff. As such, Mr. Collins' Complaint is barred by the filed rate doctrine and should be dismissed.

WHEREFORE, JPEC requests that the Complaint against it be dismissed and for any and all other relief to which it may appear entitled.

Respectfully submitted,

DENTON & KEULER P. O. BOX 929 PADUCAH KY 42002-0929 Telephone: (270) 443-8253 Facsimile: (270) 442-6000 By: Melissa D. Yates I hereby certify that the foregoing has been served by mailing a true and correct copy to:

MR JEFF DEROUEN KENTUCKY PUBLIC SERVICE COMMISSION 211 SOWER BLVD FRANKFORT KY 40602 *Via Fed-Ex*

MR ROY G COLLINS 109 DICKENSON STREET MANCHESTER KY 40962 *Via U. S. Postal*

on this 20th day of February, 2013

By: Melissa D. Yates

157280

EXHIBIT



JPEC Staking Sheet System Designation: KY20 McCracken



EXHIBIT

 \triangleright

C: <u>121946</u> R: _



ASSEMBLY UNITS REPORT

Location	and the second				
Location Name	Function	Const. Unit	Description	Quantity	
1	INSTALL	1360	A5.2 (A5-2)	1	JPEC1
1	INSTALL	3205	E1.1 (E1-2)	1	JPEC1
1	INSTALL	3240	E3.10 (E3-10) JPEC UNIT	.1	JPEC1
1	INSTALL	3306	F2.8 (F1-2S)	1	JPEC1
1	INSTALL	4618	M 5-9-1	1	JPEC1
2	INSTALL	4902	2 ACSR PRI	346	JPEC1
2	INSTALL	4902	2 ACSR PRI	346	JPEC1
2	INSTALL	1200	A1.1 (A1)	1	JPEC1
2	INSTALL	4510	H5.1 (M2-2)	1	JPEC1
2	INSTALL	1141	POLE 40 FT CL 5	1	JPEC1
3	INSTALL	4902	2 ACSR PRI	301	JPEC1
3	INSTALL	4902	2 ACSR PRI	301	JPEC1
3	INSTALL	1350	A5.1 (A5)	1	JPEC1
3	INSTALL	3205	E1.1 (E1-2)	1	JPEC1
3	INSTALL	3240	E3.10 (E3-10) JPEC UNIT	1	JPEC1
3	INSTALL	3306	F2.8 (F1-2S)	1	JPEC1
3	INSTALL	3405	G1.5 (G3)	1	JPEC1
3	INSTALL	4505	H1.1 (M2-1)	1	JPEC1
3	INSTALL	1135	POLE 35 FT Class 5	1	JPEC1
3	INSTALL	6138	TRANS CONV 15 KVA	1	JPEC1
					<u> </u>

C: <u>121946</u> R: _



ASSEMBLY UNITS REPORT

Function	Const. Unit	Description	Quantity	Correction
INSTALL	1135	POLE 35 FT Class 5	1	
INSTALL	1141	POLE 40 FT CL 5	1	
INSTALL	1200	A1.1 (A1)	1	
INSTALL	1350	A5.1 (A5)	1	
INSTALL	1360	A5.2 (A5-2)	1	
INSTALL	3205	E1.1 (E1-2)	2	
INSTALL	3240	E3.10 (E3-10) JPEC UNIT	2	
INSTALL	3306	F2.8 (F1-2S)	2	
INSTALL	3405	G1.5 (G3)	1	
INSTALL	4505	H1.1 (M2-1)	1	
INSTALL	4510	H5.1 (M2-2)	1	
INSTALL	4618	M 5-9-1	1	
INSTALL	4902	2 ACSR PRI	1,294	
INSTALL	6138	TRANS CONV 15 KVA	1	

C:	121946
R:	

J.				Ale Malance -		
	Function	Qty	Únit	Crew	Material Cost	Labor Cost
id II.	ISTALL	1	A5.2 (A5-2)	JPEC1	52.63	\$25.73
	ISTALL	1	E1.1 (E1-2)	JPEC1	16.87	\$0.00
Ti Cartana	ISTALL	1	E3.10 (E3-10) JPEC UNIT	JPEC1	3.7	\$0.00
	INSTALL	1	F2.8 (F1-2S)	JPEC1	83.48	\$409.17
1	INSTALL	1	M 5-9-1	JPEC1	123.68	\$51.50
2	INSTALL	1	A1.1 (A1)	JPEC1	33.3	\$0.00
2	INSTALL	1	H5.1 (M2-2)	JPEC1	4.92	\$77.25
2	INSTALL	1	POLE 40 FT CL 5	JPEC1	281.5	\$849.52
2	INSTALL	346	2 ACSR PRI	JPEC1	55.36	\$411.74
2	INSTALL	346	2 ACSR PRI	JPEC1	55.36	\$411.74
3	INSTALL	301	2 ACSR PRI	JPEC1	48.16	\$358.19
3	INSTALL	301	2 ACSR PRI	JPEC1	48.16	\$358.19
3	INSTALL	1	A5.1 (A5)	JPEC1	41.63	\$25.73
3	INSTALL	1	E1.1 (E1-2)	JPEC1	16.87	\$0.00
3	INSTALL	1	E3.10 (E3-10) JPEC UNIT	JPEC1	3.7	\$0.00
3	INSTALL	1	F2.8 (F1-2S)	JPEC1	83.48	\$409.17
3	INSTALL	1	G1.5 (G3)	JPEC1	167.69	\$103.00
3	INSTALL	1	H1.1 (M2-1)	JPEC1	13.62	\$77.25
3	INSTALL	1	POLE 35 FT	JPEC1	205.22	\$695.06
3	INSTALL	1	TRANS CONV 15 KVA	JPEC1	0	\$463.37

Summary	
Cost Type	Amount
Total Labor and Material	6065

5.94

\$4,726.61 1339.33

EXHIBIT

,

B

	Jackson Purchase Energy Corp. FOREntire Territory Served
	Community, Town or City
Cher Factore Come	P.S.C. KY NO. <u>11</u>
	SHEET NO. <u>141</u>
	CANCELLING P.S.C. KY NO. 10
	SHEET NO141

RULES AND REGULATIONS

- For illegal use or theft of service. JPEC may terminate service to a Member without advance notice if it G. has evidence that the Member has obtained unauthorized service by illegal use or theft or if the meter or other equipment belonging to JPEC is tampered or interfered with. Within twenty-four (24) hours after such termination, JPEC shall send written notification to the Member of the reasons for termination or refusal of service upon which JPEC relies and of the Member's right to challenge the termination by filing a formal complaint with the Kentucky Public Service Commission. This right of termination is separate from and in addition to any other legal remedies which JPEC may pursue for illegal use or theft of service. JPEC shall not be required to restore service until the Member has complied with all tariffed rules of JPEC and laws and regulations of the Kentucky Public Service Commission. The Member supplied shall pay the amount JPEC estimates is due for service rendered but not registered on JPEC's meter and for such repairs and replacements as are necessary. In disconnecting the illegal service, actual cost to disconnect will be charged if it is required to be disconnected at the transformer. This actual cost, including overheads and transportation, shall be determined based on wages, as determined by collective bargaining agreement, at the time of the disconnect at the transformer.
- H. <u>Collection Fee.</u> Should a collection agent be dispatched by JPEC, a collection fee in accordance with the non-recurring fees as approved by JPEC's Board of Directors and the Kentucky Public Service Commission shall be added to the Member's bill to defray the cost of the collection agent and mileage to effect such collection. JPEC will make a collection charge only once in any billing period. This charge is to be made regardless whether the agent collects the amount due or disconnects the service.
- (32) TEMPORARY SERVICE

A Member requesting temporary service may be required to pay all cost of constructing, removing, connecting and disconnecting service. Facilities that are temporary in nature such as for construction contractors, sawmills, carnivals, fairs, camp meetings, etc., will be provided to Members making application for same, provided they pay an advance fee equal to the reasonable cost of constructing and removing such facilities along with a deposit (amount to be determined by JPEC), for estimated consumption. Upon termination of temporary service, the payment made on estimated consumption will be adjusted to actual consumption and be issued to such temporary Member. additional billing will either a refund or

DATE OF ISSUE	August 15, 2009			KENTUCKY
	1	Month / Date / Y	'ear	PUBLIC SERVICE COMMISSION
DATE EFFECTIVE	June 25, 2008		Manuar	JEFF R. DEROUEN EXECUTIVE DIRECTOR
ISSUED BY /s/ (G. Kelly Nuckols	Month / Date /	Year	TARIFF BRANCH
<u></u>		. Kelly Nuckols		Bunt Kirtley
TITLE President	: & CEO			EFFECTIVE
BY AUTHORITY O	FORDER OF THE PUB	LIC SERVICE	COMMISSION	10/26/2012 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
IN CASE NO. 20	07-00116	DATED	June 17, 2008	

EXHIBIT B



Jackson Purchase Energy Corp. FOR Entire Territory Served						
Community, Town or City						
P.S.C. KY NO11						
SHEET NO142						
CANCELLING P.S.C. KY NO. 10						
SHEET NO142						
LATIONS						

RULES AND REGULATIONS

NEW SERVICE TO BARNS, CAMPS, PUMPS AND MISCELLANEOUS SERVICES NOT CONSIDERED PERMANENT PREMISES

- A. This rule shall apply to services where the amount of consumption and/or the permanency of service cannot be reasonably assured as determined by JPEC.
- B. All wiring shall be in accordance with JPEC's Rules and Regulations and the most recent edition of NFPA 70, National Electrical Code.
- C. A contribution-in-aid of construction shall be required from the Applicant/Member for all facilities installed to provide service under this section . Aid of construction payment shall be estimated and received by JPEC before construction is begun. When construction is completed, the Member shall be billed for the actual cost of construction and credit for advance payment shall be given.
- D. The Member requesting service may clear right-of-way, to JPEC specifications, inspection(s) and approval, for initial installation in order to reduce cost.

(33) DISTRIBUTION LINE EXTENSIONS

- A. A single phase extension to a permanent premises of one thousand (1,000) feet or less shall be made by JPEC to its existing distribution line without charge for a prospective Member who shall apply for and agree to use the service for one year or more and provides guarantee for such service. The "service drop" to the structure from the distribution line at the last power pole shall not be included in the foregoing measurements. This distribution line extension shall be limited to service where the installed transformer capacity does not exceed 25 kVA. Any extensions to a Member who may require polyphase service or whose installed transformer capacity will exceed 25 kVA will be required to pay in advance additional cost of construction which exceeds that for a single phase line where the installed transformer capacity does not exceed 25 kVA.
- B. Other Extensions:
 - 1. When an extension of JPEC's line to serve a Member or a group of Members amounts to more than one thousand (1,000) feet per Member, the total cost of excessive footage over one thousand (1,000) feet per Member shall be deposited by the Member or Members based on the estimated cost of the total extension. When construction is completed, the Member shall be billed for the actual cost of construction based on the

DATE OF ISSUE	August 15, 2009			KENTUCKY
	٢	1onth / Date / Y	'ear	PUBLIC SERVICE COMMISSION
DATE EFFECTIVE	June 25, 2008			JEFF R. DEROUEN EXECUTIVE DIRECTOR
		Month / Date /	Year	
ISSUED BY /s/ G.	Kelly Nuckols			TARIFF BRANCH
<u></u>		Kelly Nuckols		Bunt Kirtley
TITLE President 8	k CEO			EFFECTIVE
BY AUTHORITY OF	ORDER OF THE PUBL	IC SERVICE	COMMISSION	10/26/2012 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
IN CASE NO. 200	7-00116	DATED	June 17, 2008	

EXHIBIT

C



